

BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: April 21, 2004

Division: Management Services

Bulk Item: Yes ☐ No ☒

Department: Administrative Services

AGENDA ITEM WORDING: Report on early buy-out programs.

ITEM BACKGROUND: In November 2003 and March 2004, the Board of County Commissioners requested information on early buy-out programs.

PREVIOUS RELEVANT BOCC ACTION: None

CONTRACT/AGREEMENT CHANGES

STAFF RECOMMENDATION: Approval of staff recommendation not to pursue early buy-out or early retirement program at this time.

TOTAL COST: Unknown at this time

BUDGETED: Yes ☐ No ☐

COST TO COUNTY: _____

REVENUE PRODUCING: Yes ☐ No ☐

AMOUNT PER MONTH _____
YEAR _____

APPROVED BY: COUNTY ATTY ☐ OMB/PURCHASING ☐ RISK MANAGEMENT ☐

DIVISION DIRECTOR APPROVAL: _____

DIVISION DIRECTOR NAME: _____

Sheila A. Barker

DOCUMENTATION: INCLUDED: ☒ TO FOLLOW: ☐ NOT REQUIRED: ☐

DISPOSITION:

AGENDA ITEM #: 61

Report on Early Buy-Out Programs

Generally early-buy out and early retirement programs are often referred to as meaning the same thing. They are different.

Early Buy-Out Programs with the FRS are clearly defined under the statutes. A person must be over 50 years of age and have over 25 years of service and must apply for retirement. Counties must purchase annuities for those employees who qualify. Annuity cannot be for more than the total difference in retirement income between the retirement benefit based on average monthly compensation and creditable service as of the member's early retirement date. You can also purchase annuities for employees with qualified out-of-state service (maximum 5 years of service). This is used as an inducement for employees to retire.

Early Retirement Programs can be much more generous and are meant to entice employees to retire early. They generally enhance the program by offering additional money to make up the difference for age-related deductions to retirement benefits along with additional enhancements such as insurance. There are no FRS guidelines or requirements for your program. The Monroe County School Board has done an early-retirement program in 1992 and in 1997. The latest program had the following requirements:

Example of an early retirement program: The Monroe County School Board's 1997 plan briefly described had several eligibility requirements:

Plan One

At least 10 years of service with entity and any one of the following:

1. Full time employee age 57 with 15 years of service
2. Full time employee age 54 with 25 years of service
3. Full time employee who has minimum of 30 years of service
4. Full time employee age 62

Incentives to retire early

1. Separation salary adjustment of 25 percent of final year salary paid to retiree as deferred comp.
2. Payment of full cost of health insurance for retiree for a period of 8 continuous years after retirement.
3. Sick leave paid at 100% for first 100 days and remaining at 50%.

Plan Two

At least 10 years of service with entity and any one of the following:

1. Full time employee age 57 with 15 years of service
2. Full time employee age 54 with 25 years of service

Incentives to retire early

1. Five years of payment to offset early retirement penalty
2. Payment of full cost of health insurance for retiree for a period of 8 continuous years after retirement.
3. Sick leave paid at 100% for first 100 days and remaining at 50%.

Basis for Board Request: The request to examine an Early-Buy Out program was prompted by board action to pay into the FRS system for one employee. We do not have any other employees in exactly the same situation. I checked with FRS to see if any of the 9 employees with over 25 years of service had service with another agency that could be purchased. None of them had time with another agency that could be purchased.

Statistics:

Employees with Greater than 10 years		Number of Employees
Year Hired		
	1975	1
	1976	1
	1977	5
	1978	1
	1979	1
	1980	4
	1981	9
	1982	5
	1983	3
	1984	3
	1985	9
	1986	10
	1987	13
	1988	9
	1989	9
	1990	13
	1991	17
	1992	16
	1993	8
	1994	29
		166

Employees Over 55 Years of Age	187
Employees Over 50 Years of Age	273

Types of Creditable Service the Employee can purchase on their own:

1. Prior Services including refunded service and service not contributed on.
2. Past service including city/special district, Cuban Refugee Assistance & Multiple Offender Project supervised by State Attorney's office.
3. Military Service
4. Leave of Absence without pay
5. In-State Service (various educational facilities)
6. Out-of-state Service (public service or federal service)

Turnover (calendar year):

2001	19%
2002	12%
2003	18%
2004	3% (YTD)

Recommendation:

Do not implement an early buy-out program at this time. We have decreased county employees from 623 in 1998 to 495 in 2004. At the same time we have developed a recruitment and retention program to retain our employees. By offering an early buy-out/early-retirement program we would increase our turnover in a market that is becoming more difficult for recruiting due to the high-cost of living.

Attachments:

November Agenda Item regarding Louis LaTorre
State's email regarding buy-outs
School Board's plans from 1992 & 1997
Two guides found on the Internet

- L2 SOUNDING BOARD - Discussion concerning Fire Rescue service in Monroe County – Andrew McBroom. No action taken.
- L3 SOUNDING BOARD - Commend the BOCC and County Administration for taking the steps necessary to enhance both fire and EMS services in Monroe County – Jim Ward. Item deleted.
- L4 SOUNDING BOARD - Discussion on “donatability” of all property within a conservation area – George Wilson. No action taken.
- M1 MONROE COUNTY SHERIFF DEPARTMENT - Approval of disposition of inventory items for the month of November, 2003 in the total amount of \$456,085.04 bulk approved.
- N1 MONROE COUNTY HOUSING AUTHORITY - Approval of Resolution amending the Community Development Block Grant, Housing Assistance Plan bulk approved.
- O1 MONROE COUNTY HEALTH DEPARTMENT - Approval for Monroe County Health Department to lease space through the Board of County Commissioners for the Health Care Center located at DePoo Hospital and related Interagency Agreement regarding lease payments bulk approved.
- P1 MONROE COUNTY COURT ADMINISTRATION - Approval of Grant-in-Aid Agreement with the Justice Administrative Commission (JAC) bulk approved.
- P2 Approval of write-off of uncollectible accounts of the court reporting department. Item deleted.
- Q1 MAYOR SPEHAR/MANAGEMENT SERVICES – Approval for Monroe County to pay to the Florida Retirement System the amount of \$6,102.27, which is required for the Director of Social Services, Louie LaTorre, Jr., to ~~be eligible for retirement~~ achieve 30 year status in 2/29/04 3-2 (Neugent, Rice) motion to approve, including the above change. Another 5-0 motion was made to direct staff to explore and develop a policy for an early retirement program (buy-out option).
- Q2 MAYOR SPEHAR/MANAGEMENT SERVICES – Approval to extend Christmas holiday to include Friday, December 26, 2003 and New Years holiday to include Friday, January 2, 2004 3-2 (Neugent, Rice) motion to approve.

BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: November 19, 2003

Division: District 1

Bulk Item: Yes ☐ No ☐

Department: Mayor Dixie M. Spehar

AGENDA ITEM WORDING:

Approval for Monroe County to pay to the Florida Retirement System the amount of \$6,107.27, which is required for the director of Social Services, Louie LaTorre, Jr., to be eligible for retirement in 2/29/04.

ITEM BACKGROUND:

Mr. LaTorre worked as a State Employee from 9/71 to 6/74. The amount requested would purchase 2.83 years of refunded service, which would bring him to a full thirty (30) years of service, February, 2004. Under Florida Statute, Section 121.0181, it is permissible for the County to pay for the contribution for past service with the State of Florida. It provides that a governing body of a covered group (which includes the County) may elect to provide benefits with respect to past service earned prior to January 1, 1975. That past service would have to be with the State of another agency, which is and was a participant in the Florida Retirement System.

PREVIOUS RELEVANT BOCC ACTION:

CONTRACT/AGREEMENT CHANGES:

STAFF RECOMMENDATIONS:

TOTAL COST: _____

BUDGETED: Yes ☐ No ☐

COST TO COUNTY: _____

SOURCE OF FUNDS: _____

REVENUE PRODUCING: Yes ☐ No ☐ AMOUNT PER MONTH _____ Year _____

APPROVED BY: County Atty _____ OMB/Purchasing _____ Risk Management _____

DIVISION DIRECTOR APPROVAL:

Dixie M. Spehar
Mayor Dixie M. Spehar

DOCUMENTATION: Included ☒ To Follow _____ Not Required _____

DISPOSITION: _____

AGENDA ITEM # Q1

Florida Division of Retirement
Estimate of Retirement Benefit
(Estimate only, subject to final verification of all factors)

LATORRE JR, LOUIS

Estimate # 1

Member Information:

Retirement Date: 03/2004

Birthdate:

Need Birthdate Verification: Yes

Age @ Retirement: 56 Years 5 Months

Joint Annuitant Information:

Name

Birth Date

Age @ Retirement

Need Birthdate
Verification

LATORRE, DONNA

53 Years 11 Months

Yes

General Information:

Birthdate Verification: If "Yes" is noted, see the enclosed "Preparing to Retire" brochure. Verification for the joint annuitant is needed only if you select option 3 or 4.

Average Final Compensation (AFC): Average of the 5 (10 for TRS) highest fiscal years (July 1 - June 30) of salary.

Normal Annual Benefit: Total Percentage x AFC.

Option Selection: Please see the enclosed article, "What Retirement Option Should You Choose?"

Calculation Information:

For this estimate we are including the following years of service:

Plan	Plan Description	Years	Value	Percent
HA	FRS-REGULAR CLASS	30.00	1.6000	48.00
Totals		30.00		48.00

Comp Percent Used	48.00
Average Final Compensation (AFC)	77,621.96
Normal Annual Benefit	37,258.54

Option	Factor	Monthly Benefit	Survivor's Benefit
1	1.00000	3,104.88	
2	0.97715	3,033.93	
3	0.80765	2,507.66	2,507.66
4	0.88608	2,751.17	1,834.11

Amount Due : The amount due of \$6,107.27 must be paid before you can receive the benefit shown. Annual interest at 6.5% is added each June 30 to any unpaid balance. Make your check payable to the Florida Retirement System. Please write your social security number on the check. You may rollover funds from a qualified plan (IRA, deferred compensation, etc.) to pay the amount due. Form PRO-1, Pretax Direct Rollover Form, must be received with your payment, which can be obtained from our office. Rollovers cannot be made for upgraded service.

Comments:

This estimate is based on a 2/29/04 termination date with retirement effective 3/04. You will then have 30 years of service including the purchase 2.83 years of refunded service.

Barker-Sheila

From: Lowe, Sharon [Lowe_S@frs.state.fl.us]
Sent: Monday, January 05, 2004 12:31 PM
To: 'Barker-Sheila@MonroeCounty-FL.Gov'
Cc: Peyton, Anne
Subject: RE: "Early buy-out programs"

Ms. Barker:

You had a question about county authority to offer an "early buy-out" program to county employees. Under current law (s. 121.182, F.S.), counties can buy annuities for certain personnel to encourage early retirement. The law reads:

121.182 Retirement annuities authorized for county personnel.-Counties are authorized to purchase annuities for all county personnel with 25 or more years of creditable service who have reached age 50 and have applied for retirement under the Florida Retirement System. No such annuity shall provide for more than the total difference in retirement income between the retirement benefit based on average monthly compensation and creditable service as of the member's early retirement date and the early retirement benefit. Counties may also purchase annuities for members of the Florida Retirement System who have out-of-state service in another state or country which is documented as valid by the appropriate county. Such annuities may be based on no more than 5 years of out-of-state service and may equal, but not exceed, the benefits that would be payable under the Florida Retirement System if credit for out-of-state service was authorized under that system. Counties are authorized to invest funds, purchase annuities, or provide local supplemental retirement programs for purposes of providing annuities for county personnel. All retirement annuities shall comply with s. 14, Art. X of the State Constitution.

History.-s. 10, ch. 96-368.

As you can see, the law was enacted in 1996. However, annuities are pretty expensive, so I don't believe that this actually occurs very often. You may want to check with your county to see if this option is feasible (if there is any interest in pursuing such a program).

I hope this information helps,

Sharon K. Lowe
 Research & Education Section
 Division of Retirement
 (850) 488-5706

-----Original Message-----

From: Barker-Sheila@MonroeCounty-FL.Gov [mailto:Barker-Sheila@MonroeCounty-FL.Gov]
Sent: Tuesday, December 30, 2003 9:39 AM
To: REP@frs.state.fl.us
Subject: "Early buy-out programs"

Is it possible to offer an early buy-out program to participants of the FRS that work for a county government? Where would I find information on what can and can't be done.

*Sheila Barker 292-4462
 Division Director - Management Services - Gato Room 2-268*

MONROE COUNTY ONE-TIME RETIREMENT INCENTIVE PROGRAM

INTRODUCTION

The Monroe County School Board's commitment to the One-Time Retirement Incentive Program stemmed from an operating shortfall of \$1,036,623 million, resulting from the rollback of appropriations established for public schools by the 1992 Legislature and a projected reduction in funding for the 1992-93 school year. This will result in a reduction-in-force of Monroe County public school teachers, administrators, administrative and other support personnel, as reported at the April 23, 1992 School Board Meeting. Mr. Fowler, President of the Union, requested at a meeting on April 16, 1992 that UTM and the Monroe County Public Schools meet to discuss the possibility of negotiating an early retirement plan. On May 12, 1992, the parties agreed to study the feasibility of developing a "One-Time-Only" Retirement Incentive Program which would be implemented during the term of the current, (1991-94), MCPS/UTM labor contract. Mr. Fowler and Superintendent Henriquez stated that job security was their top collective bargaining priority for the 1992-93 school year, and a retirement incentive program, which could persuade eligible teachers to retire (or make additional teachers eligible for early retirement) could mitigate against a projected 15-20 teacher layoff. It was agreed by both parties to conduct a survey of bargaining unit members to determine interest in such a proposal. MCPS administrators and administrative support personnel will also be surveyed by the Superintendent.

Four categories of incentives were described in the survey and became the basis for the final version of the "One-Time-Only" Retirement Incentive Program. The School Board will be informed of the results of these surveys with a joint recommendation for approval of the "One-Time-Only" Retirement Incentive Plan. Staff estimate that 50 percent of those employees may utilize the "One-Time-Only" Retirement Incentive Plan.

CATEGORY I 30 YEAR EMPLOYEES - ENHANCED INCENTIVES

ELIGIBILITY

Full-time UTM bargaining unit members or administrative or administrative support personnel (rank 7 & above) with 30 or more years of creditable

service who are members of the Florida Retirement System or the Teacher Retirement System and meet the eligibility criteria for normal retirement.

NORMAL RETIREMENT PLUS - Employees who exceed normal retirement eligibility. (FRS & TRS)

ELIGIBLE TO PURCHASE SERVICE CREDIT - Employees may use such credit to qualify. Credit may only be purchased in accordance with the rules and regulations of the TRS or FRS.

AGE REQUIREMENTS - None

EFFECTIVE DATE OF ACCEPTANCE - Approval and acceptance of applicants for this plan from employees who are members of the FRS shall be on a first come first served basis and all applications shall be for an effective date no later than June 10, 1992. Approval for applications with an effective date of retirement subsequent to June 10, 1992 and prior to January 31, 1993 shall be at the discretion of the Board. Employees who are members of the TRS shall make application no later than June 10, 1992. However, retirement for members of the TRS, as per current legislation, may not take place prior to January 31, 1993. The effective date of retirement for members of the TRS is subject to any changes in legislation.

DESCRIPTION OF BENEFITS

- **TERMINAL LEAVE PAY** reimbursement at the current daily rate of pay for accrued sick leave up to a maximum of 100 days. Payment will be made according to the following payment schedule: 25% of the days upon retirement; 25% of the days on January 1, 1993; 25% of the days on April 1, 1993; 25% of the days on June 30, 1993.
- **MCSB WILL PAY HEALTH INSURANCE SUBSIDY** of \$2950 per year up to age 65, maximum of 7 years, to be applied towards the single coverage premiums. Reimbursement will be made to the retiree's choice of health insurance plans. The retiree may continue to cover dependent(s) at the retiree's expense.
- **TERM INSURANCE SUBSIDY** - for retirees up to age 65, 7 years maximum, the MCSB will purchase a \$50,000 Term Life Insurance policy. This term life insurance policy will be convertible at the retiree's option and cost to a whole life policy after age 65 or 7 years, whichever occurs first, without proof of medical eligibility provided this conversion is initiated within thirty-one days.
- **INSURANCE SUBSIDIES** will be made only to the retiree. Subsidies will not be transferred to any beneficiaries. In the event of the retiree's death, any

subsidy reimbursement will be pro-rated from the beginning of the calendar year to the first of the month following death.

<p style="text-align: center;">CATEGORY II EMPLOYEES AGE 62 - ENHANCED INCENTIVES</p>

ELIGIBILITY

Full-time UTM bargaining unit members or administrative or administrative support personnel (rank 7 & above) age 62 with 10 or more years of creditable service who are members of the Florida Retirement System or the Teacher Retirement System and meet the eligibility criteria for normal retirement.

NORMAL RETIREMENT PLUS - Employees who exceed normal retirement eligibility. (FRS & TRS)

ELIGIBLE TO PURCHASE SERVICE CREDIT - Employees may use such credit to qualify . Credit may only be purchased in accordance with the rules and regulations of the TRS or FRS.

AGE REQUIREMENTS - At least age 62

EFFECTIVE DATE OF ACCEPTANCE - Approval and acceptance of applicants for this plan from employees who are members of the FRS shall be on a first come first served basis and all applications shall be for an effective date no later than June 10, 1992. Approval for applications with an effective date of retirement subsequent to June 10, 1992 and prior to January 31, 1993 shall be at the discretion of the Board. Employees who are members of the TRS shall make application no later than June 10, 1992. However, retirement for members of the TRS, as per current legislation, may not take place prior to January 31, 1993. The effective date of retirement for members of the TRS is subject to any changes in legislation.

DESCRIPTION OF BENEFITS

- **TERMINAL LEAVE PAY** reimbursement at the current daily rate of pay for accrued sick leave up to a maximum of 100 days. Payment will be made according to the following payment schedule: 25% of the days upon retirement; 25% of the days on January 1, 1993; 25% of the days on April 1, 1993; 25% of the days on June 30, 1993.
- **MCSB WILL PAY HEALTH INSURANCE SUBSIDY** of \$2950 per year up to age 65, maximum of 3 years, to be applied towards the single coverage premiums. Reimbursement will be made to the retiree's choice of health

insurance plans. The retiree may continue to cover dependent(s) at the retiree's expense.

- **TERM INSURANCE SUBSIDY** - for retirees up to age 65, 3 years maximum, the MCSB will purchase a \$50,000 Term Life Insurance policy. This term life insurance policy will be convertible at the retiree's option and cost to a whole life policy after age 65 or 3 years, whichever occurs first, without proof of medical eligibility provided this conversion is initiated within thirty-one days
- **INSURANCE SUBSIDIES** will be made only to the retiree. Subsidies will not be transferred to any beneficiaries. in the event of the retiree's death, any subsidy reimbursement will be pro-rated from the beginning of the calendar year to the first of the month following death.

<p style="text-align: center;">CATEGORY III EMPLOYEES W/25 YEARS EXPERIENCE - AGE 55 OR GREATER INCENTIVES</p>

ELIGIBILITY

Full-time UTM bargaining unit members or administrative or administrative support personnel (rank 7 & above) with at least 25 or more years of creditable service and are at least 55 years of age or greater who are members of the Florida Retirement System or the Teacher Retirement System. Preference will be given to those senior staff members with 28 years of service and or age.

ELIGIBLE TO PURCHASE SERVICE CREDIT - Employees may use such credit to qualify . Credit may only be purchased in accordance with the rules and regulations of the TRS or FRS.

AGE REQUIREMENTS - 55 years or older as of August 1, 1992

EFFECTIVE DATE OF ACCEPTANCE - Approval and acceptance of applicants for this plan shall be on a first come first served basis and all applications shall be for an effective date no later than June 10, 1992. Approval for applications with an effective date of retirement subsequent to August 1, 1992 and prior to January 1, 1993 shall be at the discretion of the Board.

DESCRIPTION OF BENEFITS

- **EARLY RETIREMENT PENALTY ELIMINATED** - the MCSB pays the amount of the reduction in benefits assessed by the State for early retirement, (i.e. 5% for each year or 5/12% for each month prior to normal retirement age).
- **TERMINAL LEAVE PAY** reimbursement at the current daily rate of pay for accrued sick leave up to a maximum of 100 days • **TERMINAL LEAVE PAY** reimbursement at the current daily rate of pay for accrued sick leave up to a maximum of 100 days Payment will be made according to the following payment schedule: 25% of the days upon retirement; 25% of the days on January 1, 1993; 25% of the days on April 1, 1993; 25% of the days on June 30, 1993.
- **MCSB WILL PAY HEALTH INSURANCE SUBSIDY** of \$2950 per year up to age 65, maximum of 7 years, to be applied towards the single coverage premiums. Reimbursement will be made to the retiree's choice of health insurance plans. The retiree may continue to cover dependent(s) at the retiree's expense.

- **TERM INSURANCE SUBSIDY** - for retirees up to age 65, 7 years maximum, the MCSB will purchase a \$50,000 Term Life Insurance policy. This term life insurance policy will be convertible at the retiree's option and cost to a whole life policy after age 65 or 7 years, whichever occurs first, without proof of medical eligibility provided this conversion is initiated within thirty-one days
- **INSURANCE SUBSIDIES** will be made only to the retiree. Subsidies will not be transferred to any beneficiaries. In the event of the retiree's death, any subsidy reimbursement will be pro-rated from the beginning of the calendar year to the first of the month following death.

<p style="text-align: center;">CATEGORY IV EMPLOYEES ELIGIBLE FOR SABBATICAL & INCENTIVES</p>
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ELIGIBILITY

Full-time UTM bargaining unit members or administrative or administrative support personnel (rank 7 & above) age 60 and over with 10 years or more experience or employees with 23 years experience or more and at least 57 years of age or employees with 28 years of creditable service in the TRS or FRS. Employees accepted in this category must be eligible for and agree to enroll in one of the other approved early retirement plans and teach one summer session at the end of the sabbatical leave.

ELIGIBLE TO PURCHASE SERVICE CREDIT - Employees may use such credit to qualify. Credit may only be purchased in accordance with the rules and regulations of the TRS or FRS.

AGE REQUIREMENTS must be met no later than September 1, 1992.

EFFECTIVE DATE OF ACCEPTANCE - Approval and acceptance of applicants for this plan shall be on a first come first served basis for the ten (10) slots established for this category. All applications shall be for an effective date no later than June 10, 1992.

DESCRIPTION OF BENEFITS

- **\$5,000 SABBATICAL PAY** for up to a maximum of two years. Payment for employees on sabbatical will be made at the rate of \$500 a month for ten months, September through June of the approved year.
- **MCSB PAYS SOCIAL SECURITY AND RETIREMENT ON \$5,000 SABBATICAL PAY.**

- **TERMINAL LEAVE PAY** reimbursement at the current daily rate of pay for accrued sick leave up to a maximum of 100 days. Terminal leave pay will be paid to the employee upon completion of the sabbatical and retirement.
- **MCSB WILL PAY HEALTH INSURANCE SUBSIDY** of \$2950 per year up to age 65, maximum of 7 years, including the sabbatical leave period(s), to be applied towards the single coverage premiums. Reimbursement will be made to the retiree's choice of health insurance plans. The retiree may continue to cover dependent(s) at the retiree's expense.
- **TERM INSURANCE SUBSIDY** - the life insurance benefit becomes effective upon completion of the sabbatical, returning to work for one summer session and the retirement becomes effective.
- **INSURANCE SUBSIDIES** will be made only to the retiree. Subsidies will not be transferred to any beneficiaries. In the event of the retiree's death, any subsidy reimbursement will be pro-rated from the beginning of the calendar year to the first of the month following death.

MONROE COUNTY PUBLIC SCHOOLS(MCPS)
ONE-TIME RETIREMENT INCENTIVE PROGRAM RESPONSE FORM

If you are eligible and interested, please complete the form below and mail it to the Payroll Department, attention June Sanchez, immediately. Your records will be researched and an estimate of benefits will be sent to you. Individual counseling appointments will not be scheduled until after you have had an opportunity to review the estimate.

NOTE: Completion of this form does not constitute an application to retire.

By completing this form, I am indicating my strong interest in retiring under the provisions of the One-Time Retirement Incentive Program. To the best of my knowledge, I am eligible for (select one category only):

_____ CATEGORY I - 30 Year Employees - Enhanced Incentives
_____ CATEGORY II - Employees Age 62 - Enhanced Incentives
_____ CATEGORY III - Employees w/25 years and Age 55 or more -
Incentives
_____ CATEGORY IV - Employees Eligible for Sabbatical and
Incentives

I am hereby requesting that the Payroll Office prepare an estimate of my retirement benefits, using an expected termination date of _____.

NAME _____ WORK LOCATION _____

SOCIAL SECURITY _____ POSITION _____

HOME ADDRESS _____

CITY _____ ZIP CODE _____ WORK PHONE _____

DATE OF BIRTH: SELF _____ SPOUSE _____ (If applicable)

HAVE YOU SEEN A RETIREMENT COUNSELOR PREVIOUSLY? YES() NO()

IF ELIGIBLE, I WOULD LIKE TO PURCHASE:

() MILITARY SERVICE FROM _____ TO _____
() OUT OF STATE SERVICE FROM _____ TO _____
() SUBSTITUTE SERVICE FROM _____ TO _____
() HOURLY SERVICE FROM _____ TO _____
() APPROVED LEAVE OF ABSENCE FROM _____ TO _____
() PREVIOUS SERVICE FOR WHICH
CONTRIBUTIONS WERE REFUNDED FROM _____ TO _____

SIGNATURE _____ DATE _____

NOTE: Applications will be processed in order of the date on which they are received.

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EMPLOYEES ELIGIBLE FOR THE RETIREMENT INCENTIVE PROGRAM

Attached you will find a copy of the Retirement Incentive Program Plans and eligibility requirements. Eligible employees wishing to participate in the program will be able to choose one of the two plan options offered. Also attached is information on the meetings we will hold to give all eligible employees details about the program and how everything will work. We encourage you to rely only on the information you receive from us in the regional meetings and individual counseling sessions.

At the regional meetings, you will have the opportunity to sign up for individual counseling sessions if you are interested in participating in the retirement program.

After everyone has signed up at these regional meetings, we will send out a schedule of the individual counseling sessions that are scheduled at each school and center. We will make sure that this information is given to eligible participants.

Many questions have been asked about returning to work after 30 days. The Florida Retirement System has very specific rules about returning to work during the first year after you retire from FRS. You may only return to work after 30 days and only in certain types of part-time jobs for a maximum of 780 hours during that first year. After the first year, you may return to work without any FRS restrictions. Attached are copies of the FRS regulations on returning to work for your information.

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RETIREMENT INCENTIVE PROGRAM MEETINGS

THE SCHOOL BOARD IS SCHEDULED TO HOLD A PUBLIC HEARING ON THE RETIREMENT INCENTIVE PROGRAM ON MAY 19TH AT 2:00 P.M. FOLLOWING THE PUBLIC HEARING, THE PLAN AND A CONTRACT WITH THE COMPANY TO ADMINISTER THE PROGRAM FOR THE SCHOOL BOARD WILL BE ON THE REGULAR MEETING AGENDA ON MAY 19TH FOR ACTION.

BECAUSE OF THE SHORT TIME LINES WE WILL BE FACING WITH THIS PROGRAM SHOULD THE BOARD APPROVE IT ON MAY 19TH, WE HAVE TENTATIVELY SCHEDULED THE FOLLOWING REGIONAL MEETINGS AND COUNSELING SCHEDULE:

WE ENCOURAGE ALL ELIGIBLE EMPLOYEES TO ATTEND ONE OF THE REGIONAL MEETINGS .

**UPPER KEYS REGIONAL MEETING - RETIREMENT PROGRAM
MAY 20TH - CORAL SHORES HIGH SCHOOL LIBRARY
6:00 P.M.**

**MIDDLE KEYS REGIONAL MEETING - RETIREMENT
PROGRAM
MAY 21ST - STANLEY SWITLIK SCHOOL LIBRARY
6:00 P.M.**

**LOWER KEYS REGIONAL MEETING - RETIREMENT PROGRAM
MAY 20TH - KEY WEST HIGH SCHOOL - J-WING AUDITORIUM
6:00 P.M.**

AT EACH REGIONAL MEETING, ELIGIBLE EMPLOYEES WHO ARE CONSIDERING PARTICIPATION IN THE RETIREMENT PROGRAM WILL BE ASKED TO SIGN UP FOR INDIVIDUAL COUNSELING SESSIONS. THESE SESSIONS WILL BEGIN ON MAY 27TH, AND WILL BE HELD AT INDIVIDUAL SCHOOLS AND CENTERS. A SCHEDULE FOR THE COUNSELING SESSIONS WILL BE MADE AND SENT OUT IMMEDIATELY FOLLOWING THE REGIONAL MEETINGS.

IT IS VERY IMPORTANT THAT ELIGIBLE EMPLOYEES ATTEND THESE REGIONAL MEETINGS TO HAVE QUESTIONS ANSWERED.

THE OPEN WINDOW FOR DECLARING RETIREMENT UNDER THIS PROGRAM WILL BE MAY 19, 1997 TO JUNE 13, 1997.

RETIREMENT INCENTIVE PROGRAM

PLAN ONE

ELIGIBILITY REQUIREMENTS

- A. EMPLOYEES MUST HAVE AT LEAST 10 YEARS OF SERVICE WITH THE MONROE COUNTY SCHOOL BOARD

AND ANY ONE OF THE FOLLOWING:

- B. FULL TIME EMPLOYEES AGE 57 WITH AT LEAST 15 YEARS OF SERVICE WITH FRS OR TRS BY 6/30/97.
- C. FULL TIME EMPLOYEES AGE 54 WITH AT LEAST 25 YEARS OF SERVICE WITH FRS OR TRS BY 6/30/97.
- D. FULL TIME EMPLOYEES WHO HAVE AT LEAST 30 YEARS OF SERVICE WITH FRS OR TRS BY 6/30/97.
- E. FULL TIME EMPLOYEES AGE 62 WITH AT LEAST 10 YEARS OF SERVICE WITH FRS OR TRS BY 6/30/97.

BENEFITS

1. A SEPARATION SALARY ADJUSTMENT OF 25 PERCENT (25%) OF THE FINAL YEAR SALARY WILL BE PAID TO THE RETIREE AS DEFERRED COMPENSATION
(An adjustment will not be paid on salary supplements and vacation days)
2. THE BOARD WILL PAY THE FULL COST OF A SINGLE COVERAGE PREMIUM FOR THE EMPLOYEE OR THE FULL COST OF THE HEALTH INSURANCE PREMIUM CURRENTLY PROVIDED TO THE EMPLOYEE, WHICHEVER IS GREATER, FOR A PERIOD OF EIGHT (8) CONTINUOUS YEARS BEGINNING IMMEDIATELY UPON RETIREMENT FOR THOSE RETIREES CURRENTLY ENROLLED IN THE HEALTH INSURANCE PROGRAM.
3. SICK DAYS WILL BE PAID AT 100% FOR THE FIRST 100 DAYS, THE REMAINING DAYS WILL BE PAID AT 50%.

OPEN WINDOW FOR DECLARING RETIREMENT 5-20-97 TO 6-13-97

THE RETIREMENT DATE WILL BE THE LAST DAY OF THE 1996-97 CONTRACT YEAR

ALL EMPLOYEES TAKING ADVANTAGE OF THIS PLAN MUST ENROLL IN WRITING BY JUNE 13, 1997

PLAN TWO

ELIGIBILITY REQUIREMENTS

- A. EMPLOYEES MUST HAVE AT LEAST 10 YEARS OF SERVICE WITH THE MONROE COUNTY SCHOOL BOARD

AND ONE OF THE FOLLOWING:

- B. FULL TIME EMPLOYEES AGE 57 WITH AT LEAST 15 YEARS OF SERVICE WITH FRS OR TRS BY 6/30/97.
- C. FULL TIME EMPLOYEES AGE 54 WITH AT LEAST 25 YEARS OF SERVICE WITH FRS OR TRS BY 6/30/97.

BENEFITS

1. FIVE YEARS OF MONTHLY PAYMENTS TO OFFSET THE FRS EARLY RETIREMENT PENALTY OF 5% PER YEAR WHEN AN EMPLOYEE RETIRES PRIOR TO AGE 62 WITH LESS THAN 30 YEARS OF SERVICE.

THIS OFFSET PAYMENT IS THE DIFFERENCE BETWEEN FRS NORMAL RETIREMENT OPTION ONE (1) AND FRS EARLY RETIREMENT OPTION ONE (1)
(THIS PAYMENT IS WITHOUT THE 3% COLA INCREASE)

2. THE BOARD WILL PAY THE FULL COST OF A SINGLE COVERAGE PREMIUM FOR THE EMPLOYEE OR THE FULL COST OF THE HEALTH INSURANCE PREMIUM CURRENTLY PROVIDED TO THE EMPLOYEE, WHICHEVER IS GREATER, FOR A PERIOD OF EIGHT (8) CONTINUOUS YEARS BEGINNING IMMEDIATELY UPON RETIREMENT FOR THOSE RETIREES CURRENTLY ENROLLED IN THE HEALTH INSURANCE PROGRAM.
3. SICK DAYS WILL BE PAID AT 100% FOR THE FIRST 100 DAYS, THE REMAINING DAYS WILL BE PAID AT 50%.

OPEN WINDOW FOR DECLARING RETIREMENT 5-20-97 TO 6-13-97

THE RETIREMENT DATE WILL BE THE LAST DAY OF THE 1996-97 CONTRACT YEAR

ALL EMPLOYEES TAKING ADVANTAGE OF THIS PLAN MUST ENROLL IN WRITING BY JUNE 13, 1997

Chapter 13

REEMPLOYMENT AFTER RETIREMENT

Chapter 13 Contents:

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I. PUBLIC EMPLOYER NOT COVERED BY FRS

After an employee retires from the FRS he or she may work for any public employer **not** covered by the FRS without affecting retirement benefits.

II. PRIVATE EMPLOYER

After an employee retires from the FRS, he or she may work for any private employer without affecting retirement benefits.

III. FRS EMPLOYER

Any employee who retires from any Florida state-administered retirement system is prohibited from being reemployed by an FRS employer in any type of position during the first calendar month after the date of retirement; and is prohibited from receiving both retirement benefits and salary from an FRS employer during the 2nd through 12th months after the retirement date unless the employee is covered by one of the exceptions. This prohibition includes employment in temporary, part-time, OPS, and regularly established positions. If a retiree returns to employment with an FRS employer during the first 12 months after retirement, the following will apply:

- If the reemployment is during the first calendar month after the retirement date, the employee will not be considered to have retired. The retirement application will be canceled and the employee will